



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 25, 2010

TO: Mayor and Councilmembers

FROM: Administration Division, Finance Department

SUBJECT: Budget Work Session

RECOMMENDATION:

That Council receive a report from staff covering revenue and expenditure projections and potential strategies for addressing projected General Fund budget shortfalls for Fiscal Years 2010 and 2011.

DISCUSSION:

As a result of continued decline in revenues, coupled with increasing costs primarily for salaries and benefits, the General Fund is facing a significant budget shortfall in Fiscal Year 2010.

A portion of the projected deficit was anticipated and stems from one-time measures implemented with the adoption of the current year budget, as well as additional one-time measures implemented in November 2009 by Council to respond to revised revenue projections based on data received since adoption of the Fiscal Year 2010 budget in June 2009.

The purpose of the special budget work session is to: (1) provide the City Council and public a summary of the latest revenue and expenditure projections, and the resulting projected budget shortfall in the General Fund; and (2) discuss potential strategies for addressing the projected shortfall in Fiscal Years 2010 and 2011.

SUBMITTED BY: Robert Samario, Interim Finance Director

APPROVED BY: City Administrator's Office